

STATE OF COLORADO
DEPARTMENT OF THE TREASURY

Cary Kennedy
State Treasurer



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PRESS RELEASE

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TREASURER CALLS FOR INCREASING STATE RESERVES

Colorado State Treasurer Cary Kennedy says state must increase "Rainy-Day" Fund

DENVER-Colorado State Treasurer Cary Kennedy today supported legislation to increase the state's reserves to eight percent of its operating budget. Kennedy testified before the House Finance Committee, supporting House Bill 1302, which is sponsored by Rep. Bernie Buescher (D- Grand Junction).

"Four percent is not enough," Kennedy said in a statement following the hearing, commenting on the state's reserves. "We currently have only enough in reserve to operate state services for two weeks. We have the opportunity now to plan ahead, and we need to take advantage of that opportunity."

"When there is another economic downturn, we will face further cuts in services. We used to hold ten percent or more of the operating budget in reserve. Other states hold as much as twenty percent in reserves. This is not an issue of ideology, it's one of common sense."

House Bill 1302 would increase the state's reserves incrementally to eight percent over several years. Kennedy was one of several witnesses to testify in favor of the bill. The Finance Committee voted unanimously in favor of the bill, passing it out of committee this afternoon.

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